

**CALIFORNIA ENERGY COMMISSION**1516 NINTH STREET  
SACRAMENTO, CA 95814-5512

April 15, 2004

To all retail providers:

As the recipient of previous letters from the California Energy Commission (Energy Commission), you are probably familiar with the general statutory and regulatory requirements of SB 1305 (Stats. 1997, ch. 796, §1) and implementing regulations. This letter aims to alert your company that the Net System Power (CA POWER MIX) percentages are now available for the 2003 calendar year.

On April 9, 2004, the Energy Commission adopted the 2003 Net System Power mix. Subsequent to the adoption, errors were discovered in the 2003 Gross System Power fuel mix causing the adopted Net System Power mix to be incorrect. The Energy Commission plans to adopt an erratum to the 2003 Net System Power report at the May 5<sup>th</sup> Business Meeting. This letter contains the following corrected values for 2003 Gross System Power and 2003 Net System Power:

Fuel Type	2003 Gross System Power
Eligible Renewable	10.4%
-Biomass & waste	2.0%
-Geothermal	5.0%
-Small hydroelectric	1.9%
-Solar	0.3%
-Wind	1.2%
Coal	21.3%
Large hydroelectric	16.2%
Natural gas	36.9%
Nuclear	15.2%
Other	0.0%
Total	100.00%

Fuel Type	2003 Net System Power
Eligible Renewable	8.1%
-Biomass & waste	2.0%
-Geothermal	3.3%
-Small hydroelectric	2.3%
-Solar	0.0%
-Wind	0.5%
Coal	18.1%
Large hydroelectric	19.8%
Natural gas	41.7%
Nuclear	12.3%
Other	0.0%
Total	100.00%

The percentages in the Net System Power table above are given to the nearest tenth of a percent to increase the accuracy when calculating a product-specific fuel mix, but please note that the percentages should be rounded to the nearest whole percent when appearing in the Power Content Label. All future quarterly and promotional disclosures by your company should reflect these updated percentages for Net System Power until April 15, 2005, at which time a revised Net System Power mix will become available. The complete *2003 Net System Power Calculation Report* is available from the Energy Commission's web site at <http://www.energy.ca.gov/sb1305/documents/>.

These retail disclosures are part of our efforts to "establish a program under which entities offering electric services in California disclose accurate, reliable, and simple to understand information on the sources of energy that are used to provide electric services."

The Energy Commission's regulations require the term "CA Power Mix" be used to describe Net System Power in the right-hand column of the Power Content Label. The Energy Commission calculates Net System Power by taking all of the generation consumed by customers in California, which we have termed "Gross System Power," and then subtracting self-generation and retail providers' specific claims of generation. Thus, Net System Power does not represent the fuel mix of ALL the electric generation consumed by California customers.

Retail providers, at their option, may publish the 2003 Gross System Power values above in addition to their Power Content Label. Retailers may also add notes outside the Label that clarifies the distinction between the "CA Power Mix" and "Gross System Power." . However, do not utilize the 2003 Gross System Power values in calculating the content of a particular product. Additionally, do not insert the 2003 Gross System Power values in the column entitled, "2003 CA Power Mix." Please utilize the 2003 Net System Power values for these purposes.

Attached are two sample labels featuring the 2003 Net System Power mix. The top graphic is an example of a label for a company *not making specific purchase claims*. The bottom graphic is an example of a label for a company claiming 50 percent specific purchases (as evidenced in the first footnote) and 50 percent generic purchases (i.e. anything but specific purchases). In this case, the specific purchases are all renewable. For ease in calculating a product-specific fuel mix, the Power Content Label Calculator has been updated to reflect the 2003 Net System Power values. This Excel template can be downloaded from the web site listed above.

As always, Energy Commission staff is available to answer any of your questions. Questions should be directed to Jason J. Orta at (916) 653-5851.

POWER CONTENT LABEL		
ENERGY RESOURCES	PRODUCT NAME*	2003 CA POWER MIX**
	(projected)	(for comparison)
<b>Eligible Renewable</b>	<b>8%</b>	<b>8%</b>
-- Biomass & waste	2%	2%
-- Geothermal	3%	3%
-- Small hydroelectric	2%	2%
-- Solar	<1%	<1%
-- Wind	<1%	<1%
<b>Coal</b>	<b>18%</b>	<b>18%</b>
<b>Large Hydroelectric</b>	<b>20%</b>	<b>20%</b>
<b>Natural Gas</b>	<b>42%</b>	<b>42%</b>
<b>Nuclear</b>	<b>12%</b>	<b>12%</b>
<b>Other</b>	<b>0%</b>	<b>0%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>
<p>* 0% of <b>Product Name</b> is specifically purchased from individual suppliers.</p> <p>** Percentages are estimated annually by the California Energy Commission based on electricity sold to California consumers during the previous year.</p> <p>For specific information about this electricity product, contact Company Name. For general information about the Power Content Label, contact the California Energy Commission at 1-800-555-7794 or <a href="http://www.energy.ca.gov/consumer">www.energy.ca.gov/consumer</a>.</p>		

POWER CONTENT LABEL		
ENERGY RESOURCES	PRODUCT NAME*	2003 CA POWER MIX**
	(projected)	(for comparison)
<b>Eligible Renewable</b>	<b>54%</b>	<b>8%</b>
-- Biomass & waste	-	2%
-- Geothermal	-	3%
-- Small hydroelectric	-	2%
-- Solar	-	<1%
-- Wind	-	<1%
<b>Coal</b>	<b>9%</b>	<b>18%</b>
<b>Large Hydroelectric</b>	<b>10%</b>	<b>20%</b>
<b>Natural Gas</b>	<b>21%</b>	<b>42%</b>
<b>Nuclear</b>	<b>6%</b>	<b>12%</b>
<b>Other</b>	<b>&lt;1%</b>	<b>0%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>
<p>* 50% of <b>Product Name</b> is specifically purchased from individual suppliers.</p> <p>** Percentages are estimated annually by the California Energy Commission based on electricity sold to California consumers during the previous year.</p> <p>For specific information about this electricity product, contact Company Name. For general information about the Power Content Label, contact the California Energy Commission at 1-800-555-7794 or <a href="http://www.energy.ca.gov/consumer">www.energy.ca.gov/consumer</a>.</p>		